

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07
EA-07 FRB-03 INR-07 IO-13 NEA-10 NSAE-00 USIA-06
OPIC-03 SP-02 TRSE-00 CIEP-01 LAB-04 SIL-01 AGRE-00
OMB-01 ERDA-05 DODE-00 FPC-01 H-01 INT-05 L-03 NSC-05
PM-04 OES-06 SS-15 STR-04 ACDA-07 FEA-01 AF-08 ARA-06
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FM USMISSION OECD PARIS

TO SECSTATE WASH DC 4969

LIMITED OFFICIAL USE OECD PARIS 01556

E.O. 11652: N/A

TAGS: ENRG, OECD

SUBJECT: IEA: SOM: AD HOC GROUP ON CRUDE OIL AND
PETROLEUM PRODUCT COST AND PRICE REPORTING SYSTEMS

BEGIN TEXT

1. IN COMPLIANCE WITH THE REQUESTS MADE TO THE SOM BY
THE GOVERNING BOARD AT ITS 26TH MEETING, AS OUTLINED IN
DOCUMENT IEA/SOM(76)81 OF 23RD DECEMBER, 1976, THE
STANDING GROUP IS MEETING IN AN EXTRAORDINARY SESSION ON
24TH AND 25TH JANUARY, 1977 (REF. DOCUMENT IEA/SOM(77)1
AND IEA/SOM/A(77)1). IN PREPARATION FOR THIS SESSION
AND IN PARTICULAR FOR ITEM NO.5 OF THE ABOVE-MENTIONED
AGENDA, THE CHAIRMAN OF THE AD HOC GROUP HAS BEEN
REQUESTED TO CONVENE THE GROUP ON THE 24TH JANUARY 1977
STARTING AT 10:30 A.M. AND TO REVIEW THE REPORTING
SYSTEMS ON CRUDE OIL COSTS AND CRUDE OIL AND PETROLEUM
PRODUCT IMPORT PRICES IN ORDER TO CHECK HOW THE SHORT-
TERM NEEDS FOR A MORE INTENSIVE AND UP-TO-DATE MONITOR-
ING OF THE PRESENT DISTORTED SITUATION ON THE INTER-
NATIONAL OIL MARKETS CAN BEST BE MET AND TO PROVIDE THE
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STANDING GROUP WITH APPROPRIATE SUGGESTIONS.

2. IT IS APPARENT THAT THE SYSTEMS IN THEIR ACTUAL
LAYOUT CANNOT COMPLY WITH SUCH A DEMAND BECAUSE:
- REPORTS ARE ONLY SUBMITTED QUARTERLY;
- CRUDE OIL PRICES ARE PROVIDED ON A "DATE OF
DISCHARGE" BASIS ONLY SO THAT THEY COMPRISE A TIME LAG

OF AT LEAST 30 DAYS;

- THE LIST OF DESIGNATED CRUDE STREAMS (IN PARTICULAR WITH REGARD TO UAE AND INDONESIAN CRUDE) DOES NOT SUFFICE IN THE LIGHT OF THE PRESENT TWO-TIER PRICING SYSTEM.

3. IT SHOULD THEREFORE BE CONSIDERED, FOR THE DURATION OF THIS AMBIGUOUS SITUATION IN THE OIL MARKET AND AS A MATTER OF URGENCY UNDER THE PRESENT EXTRAORDINARY CIRCUMSTANCES, THAT THE REPORTING SYSTEM BE TEMPORARILY ADAPTED AS FOLLOWS, TAKING INTO ACCOUNT THE PREVIOUS CONSIDERATIONS OF THE AD HOC GROUP:

- REPORTING OF CRUDE OIL COSTS AND CRUDE OIL AND PETROLEUM PRODUCT IMPORT PRICES SHOULD BE ON A MONTHLY BASIS FOR THE DURATION OF THE TWO-TIER OPEC PRICING SYSTEM;

- DURING THIS PERIOD CRUDE OIL PRICES SHOULD BE REPORTED ON A DATE-OF-LOADING IN ADDITION TO (OR INSTEAD OF) THE DATE OF DISCHARGE USED AT PRESENT;

- UAE CRUDES SO FAR REPORTED AS ONE STREAM SHOULD BE BROKEN DOWN, FOLLOWING THE PROPOSAL OF THE UNITED KINGDOM; IF THE NECESSITY ARISES, CONSIDERATION COULD ALSO BE GIVEN TO DETAILING THE DESIGNATIONS FOR NIGERIAN AND INDONESIAN CRUDES IN ORDER TO ACHIEVE A BETTER ANALYSIS OF THESE SIGNIFICANT CRUDE STREAMS.

4. WHILST THE SUGGESTED ADAPTATIONS SEEM TO BE INDISPENSABLE IN ORDER TO MEET INCREASED MONITORING OBLIGATIONS, ALL OTHER RECOMMENDATIONS MADE BY THE AD LIMITED OFFICIAL USE

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HOC GROUP SO FAR (IEA/SOM(76)80) WOULD, OF COURSE, ALSO REPRESENT SUBSTANTIAL IMPROVEMENTS. THIS APPLIES IN PARTICULAR TO PARAGRAPHS C(II) AND D(II) OF THE ABOVE-MENTIONED DOCUMENT. HOWEVER, GIVEN THE FACT THAT ALL THESE AMENDMENTS HAVE NOT YET BEEN DISCUSSED WITH THE IWP, NOR FINALLY APPROVED BY THE SOM, PARTICIPATING COUNTRIES MAY WANT TO LIMIT TO A MINIMUM SUCH TEMPORARY CHANGES AND THE RESULTING SHORT-TERM EXTRA BURDEN FOR REPORTING PARTIES.

5. THE USE OF GOVERNMENT REPORTING FORMS WHICH ARE ALREADY PRECODED WOULD POSSIBLY EXPEDITE THE PROCESSING OF THE REPORTED DATA. SINCE THIS IS ONLY A TECHNICALITY, WHICH DOES NOT IMPLY ANY CHANGES IN THE REPORTING PROCEDURE NOR ANY EXTRA WORK ON THE PART OF REPORTING GOVERNMENTS, THE SECRETARIAT WOULD WISH TO EXPLAIN THIS SUGGESTION ORALLY AND SEEK THE GROUP'S ADVICE.

END TEXT

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, INDUSTRIAL PRODUCTION, REPORTS, COMMITTEE MEETINGS, PRICES
Control Number: n/a
Copy: SINGLE
Sent Date: 17-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
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Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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Handling Restrictions: n/a
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Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
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Original Previous Classification: n/a
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Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
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Retention: 0
Review Action: RELEASED, APPROVED
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
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Secure: OPEN
Status: NATIVE
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TAGS: ENRG, OECD, IEA
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/4eccf2d8-c288-dd11-92da-001cc4696bcc
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